

VI-A-1

1     **TITLE VI—RURAL EDUCATION**  
2                     **ASSISTANCE**

3     **SEC. 601. RURAL EDUCATION.**

4             Part J of title X of the Elementary and Secondary  
5     Education Act of 1965 (20 U.S.C. 8271 et seq.) is amend-  
6     ed to read as follows:

7             **“PART J—RURAL EDUCATION INITIATIVE**

8     **“SEC. 10951. SHORT TITLE.**

9             “‘This part may be cited as the “Rural Education Ini-  
10     tiative Act of 1999”.

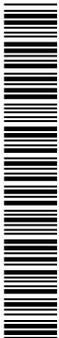
11     **“SEC. 10952. FINDINGS.**

12             “Congress finds the following:

13                     “(1) The National Center for Educational Sta-  
14     tistics reports that 46 percent of our Nation’s public  
15     schools serve rural areas.

16                     “(2) While there are rural education initiatives  
17     identified at the State and local level, no Federal  
18     education policy focuses on the specific and unique  
19     needs of rural school districts and schools.

20                     “(3) Small school districts often cannot use  
21     Federal grant funds distributed by formula because  
22     the formula allocation does not provide enough rev-  
23     enue to carry out the program the grant is intended  
24     to fund.



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1           “(4) Rural schools often cannot compete for  
2 Federal funding distributed by competitive grants  
3 because the schools lack the personnel needed to  
4 prepare grant applications and the resources to hire  
5 specialists in the writing of Federal grant proposals.

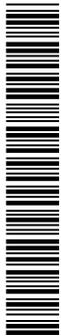
6           “(5) A critical problem for rural school districts  
7 involves the hiring and retention of qualified admin-  
8 istrators and certified teachers (especially in read-  
9 ing, science, and mathematics). As a result, teachers  
10 in rural schools are almost twice as likely to provide  
11 instruction in 3 or more subject areas than teachers  
12 in urban schools. Rural schools also face other tough  
13 challenges, such as shrinking local tax bases, high  
14 transportation costs, aging buildings, limited course  
15 offerings, and limited resources.

16           **“Subpart 1—Small and Rural School Program**

17           **“SEC. 10961. FORMULA GRANT PROGRAM AUTHORIZED.**

18           “(a) ALTERNATIVE USES.—

19           “(1) IN GENERAL.—Notwithstanding any other  
20 provision of law, an eligible local educational agency  
21 may use the applicable funding, that the agency is  
22 eligible to receive from the State educational agency  
23 for a fiscal year, to support local or statewide edu-  
24 cation reform efforts intended to improve the aca-  
25 demic achievement of elementary school and sec-



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1       ondary school students and the quality of instruction  
2       provided for the students.

3               “(2) NOTIFICATION.—An eligible local edu-  
4       cational agency shall notify the State educational  
5       agency of the local educational agency’s intention to  
6       use the applicable funding in accordance with para-  
7       graph (1) not later than a date that is established  
8       by the State educational agency for the notification.

9       “(b) ELIGIBILITY.—

10              “(1) IN GENERAL.—A local educational agency  
11       shall be eligible to use the applicable funding in ac-  
12       cordance with subsection (a) if—

13              “(A)(i) the total number of students in av-  
14       erage daily attendance at all of the schools  
15       served by the local educational agency is less  
16       than 600; and

17              “(ii) all of the schools served by the local  
18       educational agency are located in a community  
19       with a Rural-Urban Continuum Code of 6, 7, 8,  
20       or 9, as determined by the Secretary of Agri-  
21       culture; or

22              “(B) the agency meets the criteria established  
23       in subparagraph (A)(i) and the Secretary, in accord-  
24       ance with paragraph (2), grants the local edu-



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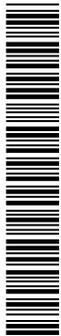
1        cational agency's request to waive the criteria de-  
2        scribed in subparagraph (A)(ii).

3            “(2) CERTIFICATION.—The Secretary shall de-  
4        termine whether or not to waive the criteria de-  
5        scribed in paragraph (1)(A)(ii) based on certification  
6        provided by the local educational agency, or the  
7        State educational agency on behalf of the local edu-  
8        cational agency, that the local educational agency is  
9        located in an area defined as rural by a govern-  
10       mental agency of the State.

11        “(c) APPLICABLE FUNDING.—In this section, the  
12       term “applicable funding” means funds provided under  
13       each of Titles II, IV, VI, parts A and C of title VII, and  
14       part I of title X.

15        “(d) DISBURSAL.—Each State educational agency  
16       that receives applicable funding for a fiscal year shall dis-  
17       burse the applicable funding to local educational agencies  
18       for alternative uses under this section for the fiscal year  
19       at the same time that the State educational agency dis-  
20       burses the applicable funding to local educational agencies  
21       that do not intend to use the applicable funding for such  
22       alternative uses for the fiscal year.

23        “(e) SUPPLEMENT NOT SUPPLANT.—Funds used  
24       under this section shall be used to supplement and not  
25       supplant any other Federal, State, or local education



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1 funds that would otherwise be available for the purpose  
2 of this subpart.

3 “(f) SPECIAL RULE.—References in Federal law to  
4 funds for the provisions of law set forth in subsection (c)  
5 may be considered to be references to funds for this sec-  
6 tion.

7 **“SEC. 10962. PROGRAM AUTHORIZED.**

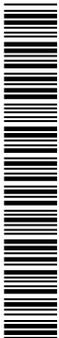
8 “(a) IN GENERAL.—The Secretary is authorized to  
9 award grants to eligible local educational agencies to en-  
10 able the local educational agencies to support local or  
11 statewide education reform efforts intended to improve the  
12 academic achievement of elementary school and secondary  
13 school students and the quality of instruction provided for  
14 the students.

15 “(b) ELIGIBILITY.—

16 “(1) IN GENERAL.—A local educational agency  
17 shall be eligible to receive a grant under this section  
18 if—

19 “(A)(i) the total number of students in av-  
20 erage daily attendance at all of the schools  
21 served by the local educational agency is less  
22 than 600; and

23 “(ii) all of the schools served by the local  
24 educational agency are located in a community  
25 with a Rural-Urban Continuum Code of 6, 7, 8,



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1 or 9, as determined by the Secretary of Agri-  
2 culture; or

3 “(B) the agency meets the criteria established  
4 in subparagraph (A)(i) and the Secretary, in accord-  
5 ance with paragraph (2), grants the local edu-  
6 cational agency’s request to waive the criteria de-  
7 scribed in subparagraph (A)(ii).

8 “(2) CERTIFICATION.—The Secretary shall de-  
9 termine whether or not to waive the criteria de-  
10 scribed in paragraph (1)(A)(ii) based on certification  
11 provided by the local educational agency, or the  
12 State educational agency on behalf of the local edu-  
13 cational agency, that the local educational agency is  
14 located in an area defined as rural by a govern-  
15 mental agency of the State.

16 “(c) ALLOCATION.—

17 “(1) IN GENERAL.—Except as provided in para-  
18 graph (3), the Secretary shall award a grant to an  
19 eligible local educational agency for a fiscal year in  
20 an amount equal to the initial amount determined  
21 under paragraph (2) for the fiscal year minus the  
22 total amount received under the provisions of law  
23 described under section 10961(c) for the preceding  
24 fiscal year.



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1           “(2) DETERMINATION OF THE INITIAL  
2 AMOUNT.—The initial amount referred to in para-  
3 graph (1) is equal to \$100 multiplied by the total  
4 number of students, over 50 students, in average  
5 daily attendance in such eligible agency plus  
6 \$20,000, except that the initial amount may not ex-  
7 ceed \$60,000.

8           “(3) RATABLE ADJUSTMENT.—

9           “(A) IN GENERAL.—If the amount made  
10 available for this subpart for any fiscal year is  
11 not sufficient to pay in full the amounts that  
12 local educational agencies are eligible to receive  
13 under paragraph (1) for such year, the Sec-  
14 retary shall ratably reduce such amounts for  
15 such year.

16           “(B) ADDITIONAL AMOUNTS.—If addi-  
17 tional funds become available for making pay-  
18 ments under paragraph (1) for such fiscal year,  
19 payments that were reduced under subpara-  
20 graph (A) shall be increased on the same basis  
21 as such payments were reduced.

22           “(5) CENSUS DETERMINATION.—

23           “(A) IN GENERAL.—Each local educational  
24 agency desiring a grant under this section shall  
25 conduct a census not later than December 1 of



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1 each year to determine the number of kinder-  
2 garten through grade 12 students in average  
3 daily attendance at the schools served by the  
4 local educational agency.

5 “(B) SUBMISSION.—Each local educational  
6 agency shall submit the number described in  
7 subparagraph (A) to the Secretary not later  
8 than March 1 of each year.

9 “(d) DISBURSAL.—The Secretary shall disburse the  
10 funds awarded to a local educational agency under this  
11 section for a fiscal year not later than July 1 of that year.

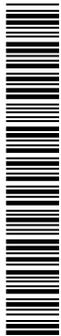
12 “(e) SPECIAL RULE.—A local educational agency  
13 that is eligible to receive a grant under this subpart for  
14 a fiscal year shall be ineligible to receive funds for such  
15 fiscal year under subpart 2.

16 “(f) SUPPLEMENT NOT SUPPLANT.—Funds made  
17 available under this section shall be used to supplement  
18 and not supplant any other Federal, State or local edu-  
19 cation funds.

20 **“SEC. 10963. ACCOUNTABILITY.**

21 “(a) ACADEMIC ACHIEVEMENT.—

22 “(1) IN GENERAL.—Each local educational  
23 agency that uses or receives funds under section  
24 10961 or 10962 for a fiscal year shall administer an  
25 assessment consistent with section 1111 of title I.



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1           “(2) SPECIAL RULE.—Each local educational  
2           agency that uses or receives funds under section  
3           10961 or 10962 shall use the same assessment de-  
4           scribed in paragraph (1) for each year of participa-  
5           tion in the program under such section.

6           “(b) STATE EDUCATIONAL AGENCY DETERMINATION  
7           REGARDING CONTINUING PARTICIPATION.—Each State  
8           educational agency that receives funding under the provi-  
9           sions of law described in section 10961(c) shall—

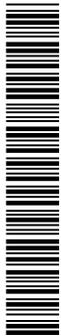
10           “(1) after the 2d year that a local educational  
11           agency participates in a program under section  
12           10961 or 10962 and on the basis of the results of  
13           the assessments described in subsection (a), deter-  
14           mine whether the students served by the local edu-  
15           cational agency participating in the program per-  
16           formed in accordance with section 1111 of title I;  
17           and

18           “(2) only permit those local educational agen-  
19           cies that so participated and met the requirements  
20           of section 1111(b)(2) of title I to continue to so par-  
21           ticipate.

22           **“Subpart 2—Low-Income And Rural School Program**

23           **“SEC. 10971. PROGRAM AUTHORIZED.**

24           “(a) RESERVATIONS.—From amounts appropriated  
25           under section 10982 for this subpart for a fiscal year, the



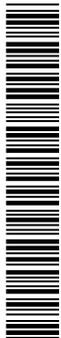
## VI-A-10

1 Secretary shall reserve  $\frac{1}{2}$  of 1 percent to make awards  
2 to elementary or secondary schools operated or supported  
3 by the Bureau of Indian Affairs to carry out the purpose  
4 of this subpart.

5 “(b) GRANTS TO STATES.—

6 “(1) IN GENERAL.—From amounts appro-  
7 priated under section 10982 for this subpart that  
8 are not reserved under subsection (a), the Secretary  
9 shall award grants for a fiscal year to State edu-  
10 cational agencies that have applications approved  
11 under section 10973 to enable the State educational  
12 agencies to award subgrants to eligible local edu-  
13 cational agencies for local authorized activities de-  
14 scribed in subsection (c)(2).

15 “(2) ALLOCATION.—From amounts appro-  
16 priated for this subpart, the Secretary shall allocate  
17 to each State educational agency for a fiscal year an  
18 amount that bears the same ratio to the amount of  
19 funds appropriated under section 10982 for this  
20 subpart that are not reserved under subsection (a)  
21 as the number of students in average daily attend-  
22 ance served by eligible local educational agencies in  
23 the State bears to the number of all such students  
24 served by eligible local educational agencies in all  
25 States for that fiscal year.



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1           “(3) DIRECT AWARDS TO SPECIALLY QUALI-  
2 FIED AGENCIES.—

3           “(A) NONPARTICIPATING STATE.—If a  
4 State educational agency elects not to partici-  
5 pate in the program under this subpart or does  
6 not have an application approved under section  
7 10973 a specially qualified agency in such State  
8 desiring a grant under this subpart shall apply  
9 directly to the Secretary to receive an award  
10 under this subpart.

11           “(B) DIRECT AWARDS TO SPECIALLY  
12 QUALIFIED AGENCIES.—The Secretary may  
13 award, on a competitive basis, the amount the  
14 State educational agency is eligible to receive  
15 under paragraph (2) directly to specially quali-  
16 fied agencies in the State.

17           “(c) LOCAL AWARDS.—

18           “(1) ELIGIBILITY.—A local educational agency  
19 shall be eligible to receive funds under this subpart  
20 if—

21           “(A) 20 percent or more of the children  
22 aged 5 to 17, inclusive, served by the local edu-  
23 cational agency are from families with incomes  
24 below the poverty line; and



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1           “(B) all of the schools served by the agen-  
2           cy are located in a community with a Rural-  
3           Urban Continuum Code of 6, 7, 8, or 9, as de-  
4           termined by the Secretary of Agriculture.

5           “(2) USES OF FUNDS.—Grant funds awarded  
6           to local educational agencies or made available to  
7           schools under this subpart shall be used for—

8           “(1) educational technology, including software  
9           and hardware;

10          “(2) professional development;

11          “(3) technical assistance;

12          “(4) teacher recruitment and retention;

13          “(5) parental involvement activities; or

14          “(6) academic enrichment programs.

15   **“SEC. 10972. STATE DISTRIBUTION OF FUNDS.**

16          “(a) AWARD BASIS.—A State educational agency  
17          shall award grants to eligible local educational agencies—

18          “(1) on a competitive basis; or

19          “(2) according to a formula based on the num-  
20          ber of students in average daily attendance served  
21          by the eligible local educational agencies or schools  
22          (as appropriate) in the State, as determined by the  
23          State.

24          “(b) ADMINISTRATIVE COSTS.—A State educational  
25          agency receiving a grant under this subpart may not use



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1 more than 5 percent of the amount of the grant for State  
2 administrative costs.

3 **“SEC. 10973. APPLICATIONS.**

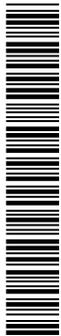
4 “Each State educational agency and specially quali-  
5 fied agency desiring to receive a grant under this subpart  
6 shall submit an application to the Secretary at such time,  
7 in such manner, and accompanied by such information as  
8 the Secretary may require. Such application shall include  
9 specific measurable goals and objectives to be achieved  
10 which may include specific educational goals and objec-  
11 tives relating to increased student academic achievement,  
12 decreased student drop-out rates, or such other factors  
13 that the State educational agency or specially qualified  
14 agency may choose to measure.

15 **“SEC. 10974. REPORTS.**

16 “(a) STATE REPORTS.—Each State educational  
17 agency that receives a grant under this subpart shall pro-  
18 vide an annual report to the Secretary. The report shall  
19 describe—

20 “(1) the method the State educational agency  
21 used to award grants to eligible local educational  
22 agencies and to provide assistance to schools under  
23 this subpart;

24 “(2) how local educational agencies and schools  
25 used funds provided under this subpart; and



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1           “(3) the degree to which progress has been  
2           made toward meeting the goals and objectives de-  
3           scribed in the application submitted under section  
4           10973.

5           “(b) SPECIALLY QUALIFIED AGENCY REPORT.—  
6           Each specially qualified agency that receives a grant under  
7           this subpart shall provide an annual report to the Sec-  
8           retary. Such report shall describe—

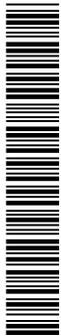
9           “(1) how such agency uses funds provided  
10          under this subpart; and

11          “(2) the degree to which progress has been  
12          made toward meeting the goals and objectives de-  
13          scribed in the application submitted under section  
14          10971(b)(4)(A).

15          “(c) REPORT TO CONGRESS.—The Secretary shall  
16          prepare and submit to the Committee on Education and  
17          the Workforce for the House of Representatives and the  
18          Committee on Health, Education, Labor, and Pensions for  
19          the Senate an annual report. The report shall describe—

20          “(1) the methods the State educational agency  
21          used to award grants to eligible local educational  
22          agencies and to provide assistance to schools under  
23          this subpart;

24          “(2) how eligible local educational agencies and  
25          schools used funds provided under this subpart; and



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1           “(3) progress made in meeting specific measur-  
2           able educational goals and objectives.

3 **“SEC. 10975. DEFINITIONS.**

4           “For the purposes of this subpart—

5           “(1) The term “poverty line” means the poverty  
6           line (as defined by the Office of Management and  
7           Budget, and revised annually in accordance with sec-  
8           tion 673(2) of the Community Services Block Grant  
9           Act (42 U.S.C. 9902(2))) applicable to a family of  
10          the size involved.

11          “(2) The term “specially qualified agency”  
12          means an eligible local educational agency, located in  
13          a State that does not participate in a program under  
14          this subpart in a fiscal year, that may apply directly  
15          to the Secretary for a grant in such year in accord-  
16          ance with section 10971(b)(4).

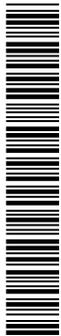
17                           **“Subpart 3—General Provisions**

18 **“SEC. 10981. DEFINITION.**

19          “For the purposes of this part, the term ‘State’  
20          means each of the 50 States, the District of Columbia,  
21          and the Commonwealth of Puerto Rico.

22 **“SEC. 10982. AUTHORIZATION OF APPROPRIATIONS.**

23          “There are authorized to be appropriated to carry out  
24          this part \$125,000,000 for fiscal year 2000 and such sums



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- 1 as may be necessary for each of 4 succeeding fiscal years
- 2 to be distributed equally between subparts 1 and 2.”.

